

CableFAX Daily™

Wednesday — December 11, 2013

What the Industry Reads First

Volume 24 / No. 239

ADVERTISEMENT




A GRIZZLY IS UNPREDICTABLE

**AND WE'VE GOT
THE MOTHER
OF THEM ALL**

**SARAH PALIN, the
original MAMA GRIZZLY,
takes a journey into
RED, WILD & BLUESM AMERICA
telling stories of the people
and places that make
this country AMAZING!**

ALL NEW ORIGINAL SERIES
**AMAZING
AMERICA**
WITH SARAH PALIN

PREMIERES APRIL 2014
**SPORTSMAN
CHANNEL**

TheSportsmanChannel.com   

CableFAX Daily™

Wednesday — December 11, 2013

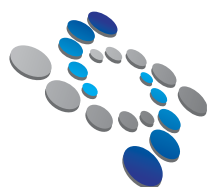
What the Industry Reads First

Volume 24 / No. 239

HRTS: Live Sports Still in High Demand, Mobile Key

Those waiting for sports costs to decline might want to get comfortable: Execs gathered for a heavy-hitting sports panel at the HRTS lunch in L.A. on Tues said live sports has never been more valuable in a noisy TV environment. *David Rone*, **Time Warner Cable** pres, sports, news and local programming, called it “the last vestige of must-see programming” while **Mandalay Ent Group** chmn/CEO *Peter Guber* called live sports a “vital element” along with other forms of live entertainment. Sports, however, isn’t a, uh... slam dunk, they said, because RSNs must continue to prove to distributors that they’re worth the money following expensive rights deals of late. “The real risk is distribution, and without that, these deals are going to tough on those who have made guarantees,” said **NBC Sports Group** chmn *Mark Lazarus*. But it’s not all about live. Lazarus noted that an average 30m people tuned in ’12 Olympics coverage each night despite NBC’s decision to air pre-taped segments in primetime. “You don’t aggregate that many people unless they want to come and watch it,” he said. “You want to see how the story unfolds even if you know what happens.” [For more on the power of live, check out exec editor’s *Michael Grebb*’s piece at www.cablefax.com]. HRTS panelists also marveled at how multiplatform has transformed the way networks relate to fans, cover sports events and value the content itself. Guber noted that sports has always been interactive, making mobile devices a vital part of the experience—and one that nets and leagues must embrace. “It’s a whole different world,” he said. “You have to come to grips with that... Nobody wants a monologue anymore. They want a dialogue.” **Fox Sports** pres/COO *Eric Shanks* said the simple act of retweeting and favoriting fan tweets can make a huge difference in terms of loyalty and viewership. “That means a lot to people these days,” he said. Said Rone of mobile integration: “This is no longer the whiz-bang, new toy. This is life. To not be there is to be irrelevant.”

TWX POV: Since **Time Warner** reported 3Q results last month, it has inked 2 more renewals, giving it reups with 6 of the top 10 distributors, Time Warner chief *Jeff Bewkes* said during a **UBS** investor conference Tues. TWX has deals signed with 2 of the top 5 MVPDs, he said. “By next year, when **Time Inc** is spun off (expected in 2Q), carriage fees will account for about 1/3 of our revenue,” Bewkes said, adding that “we were able to do this without going dark.” **Cable One** subs would disagree, with **Turner** nets dark for almost all of Oct because of a dispute over renewal terms. Bewkes spent part



CableFAX's
BEST of the WEB &
DIGITAL MARKETING
Awards

Final Deadline:
December 13, 2013

Call for Entries

CableFAX's Best of the Web & Digital Marketing Awards is the industry's top honor in the digital space, recognizing outstanding websites, digital initiatives, and people among cable programmers, operators, and industry professionals.

Enter At: www.cablefaxdigitalawards.com

Questions: Mary-Lou French
301.354.1851 • mfrench@accessintel.com

Sponsorships: Amy Abbey
301.354.1629 • aabbey@accessintel.com

22452

WICT EXTENDS OUR UTMOST APPRECIATION TO OUR 2013 SPONSORS

WHOSE SUPPORT HELPS BUILD A STRONGER CABLE INDUSTRY

STRATEGIC PARTNERS



CATALYST PARTNERS



INSPIRE PARTNERS



INDUSTRY PARTNER



PROGRAM SPONSORS

A+E Networks | ARRIS | National Cable and Telecommunications Association | News Corporation | The Weather Channel

MEDIA PARTNERS

Broadcasting & Cable | Cable360.net | CableFAX | Multichannel News

INDUSTRY SPONSOR

Speakeasy Inc.



Women in Cable
Telecommunications™

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.com ● 301.354.2101 ● Editor-in-Chief: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Exec Editor: Michael Grebb, 323.380.6263, mgrebb@accessintel.com ● Editor: Joyce Wang, 301.354.1828, jwang@accessintel.com ● Community Editor: Kaylee Hultgren, 212.621.4200, khultgren@accessintel.com ● Advisor: Seth Arenstein ● Assoc Publisher: Amy Abbey, 301.354.1629, aabbey@accessintel.com ● Sales Mgr: Susan Kim, 301.354.2010, skim@accessintel.com ● Dir of Market Dev: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Prod: Jo Fato, jfato@accessintel.com ● Diane Schwartz, SVP Media Comms Group ● Scott Gentry, Dir of Bus Dev, sgentry@accessintel.com ● Group Subs: Amy Russell, 301.354.1599, arussell@accessintel.com ● Sub Questions, Client Services: 301.354.2101, clientservices@accessintel.com
Access Intelligence, LLC, 4 Choke Cherry Road, 2nd Floor, Rockville, MD 20850

of the presentation stumping for VOD. "The world is going to on demand," he said, praising **Comcast** and **Verizon** for their leadership on that front and calling Comcast's user interface as good as anything in Silicon Valley. But not every MVPD earned kudos. "Frankly, a lot of other distributors haven't moved fast enough or effectively enough" to increase VOD usage, Bewkes said. As for Turner nets' performance, there were the standard lines about **CNN** improving and **TBS** and **TNT** upping original programming, but Bewkes also tackled **Cartoon's** rating drop (*Cfax*, 9/13). He rejected the idea that Cartoon's deal with SVOD providers are having an impact, saying the usage there just doesn't add up (Cartoon's **Netflix** deal took effect at the end of Mar). He blamed some of the softness on 2012 being so big for the net. "There is some tiredness in some of the shows. I think of it as a short-term programming phenomenon, not a trend phenomenon," he said.

On the Hill: Following a failed attempt last year, Republicans and Democrats reached an agreement on the **FCC** reform legislation authored by Rep *Greg Walden* (R-OE), head of the House communications subcmte. The full House Commerce vote is scheduled for Wed, following a markup late Tues. Under the latest version of the bill, the FCC will be required to create timelines for completing its proceedings and report to Congress whether it has met the deadlines. The proposal dropped the controversial language that would have restricted the FCC's ability to impose merger conditions. The move won Rep *Anna Eshoo* (D-CA)'s support. Walden, in a statement, said he "looks forward to the Senate's prompt action" on the bill. *Dean Heller* (R-NV), Walden's Senate counterpart on this issue, is expected to work with the Senate Commerce on a companion bill. -- House Commerce leaders and every GOP member of the communications subcmte wrote **FCC** chmn *Tom Wheeler* to urge him to suspend a study that they say is setting up the Fairness Doctrine 2.0. The original Fairness Doctrine was eliminated from the Code of Federal Regs in 2011 at urging from Republican leaders. Now, they are concerned about a Nov public notice announcing a field study that looks at how all local news outlets select and prioritize the news. The FCC said the study is to inform the Commission on deregulatory action to lower regulatory barriers for small businesses and entrepreneurs.

Investor Conference: Discussions to move a la carte forward is a distraction. Instead, the industry should focus on the next big thing: TV Everywhere, *Chase Carey*, **21st Century Fox** COO said during a **UBS** conference Tues. A la carte is being used by its supporters to "drag, in some manner, Washington into the discussion," he said. Calling the idea "a farce," he claimed consumers still want bundles. "They just want different bundles," he said. The right path forward is TVE, which has been "poorly executed to date," he said. "We have to be part of the solution, not just sitting here, picking and complaining." Despite early progress, "we haven't scratched the surface" when it comes to TVE, he said. Perhaps part of the solution is an OTT partnership. Carey said he's glad Fox, **Disney** and **Comcast** decided to keep **Hulu**. "It's too important of an asset not to develop to its full potential... Once we became convinced we had a shared vision for the opportunity, we moved naturally to a place... where we put the capital commitments behind it," he said. Meanwhile, sports programming has "proven time and time again it's the most important and powerful programming," Carey said. That's why the exec is bullish on **Fox Sports 1**, which would draw more audience next year as the net adds baseball, NASCAR and other sports to the programming lineup. "We have challenges. Some things worked and some things haven't... It's not a two-to-three month [process], it's two-to-three years." -- **NBA** is the last of the major sports rights **ABC/ESPN** needs to tie up, and **Disney** CFO *Jay Rasulo* told the **UBS** conference he expects to get them, but that he can't predict what form they'll take. **Turner** also plans to keep its NBA rights. "We really like our NBA programming... Our plans are for continuation of NBA. I think it will be a healthy increase [that the League will receive]," but it should fit into the framework of Turner's increase affil rev for renewals, **Time Warner** CEO *Jeff Bewkes* said.

Retrans: Holiday good cheer couldn't stop a retrans dispute between **Bonten Media Group**, **Esteem Broadcasting** and **DISH** as 16 stations went dark on the distributor over the weekend. DISH claimed the broadcasters are demanding a 300% rate increase and rejected its offer of a short-term contract extension. They also rejected DISH's offering to match the rates they receive from DISH's primary competition, the satellite provider said in a statement. The broadcasters fought back, saying the payments they are requesting are small. "It's easy to make this seem like an outrageous fee when taken out of context but the reality is what we are requesting from DISH amounts to a few pennies a day per subscriber," a post on one of the stations' website said. The affected stations are: **KTXS**, Abilene-Sweetwater, Texas; **KTVM**, Butte-Bozeman, MT; **KRCR** and **KCVU**, Chico-Redding, CA; **KAEF** and **KBVU**, Eureka, CA.; **WCTI** and **WFXI**, Greenville, NC; **KECI**, Missoula, MT.; **KTXE**, San Angelo, TX; and **WCYB** and **WEMT** in the

BUSINESS & FINANCE

Tri-Cities area of Tennessee and Virginia. DISH head *Charlie Ergen* and his regulatory gang recently met with FCC chmn *Tom Wheeler* and his staff, asking the agency to “take a fresh look” at the retrans system, according to an FCC filing.

Press Clippings: Bloomberg is reporting that **AllThingsD** editors *Walt Mossberg* and *Kara Swisher* have completed a deal with **NBCU** for a news and conference business that will bring their current staff to a newly named website. The story cites people familiar with the matter.

Obit: Comcast SportsNet Chicago pres *Jim Corno* passed away Tues following a battle with cancer. He was 66. CSN was the 4th RSN Corno launched, with it rolling out in '94. He was part of SportsVision, the 1st RSN in the country to go 24/7. That net evolved into SportsChannel in the late '80s. Eventually, he helped launch **Fox Sports Net** Chicago. He leaves behind his wife Carolyn, his two children, Jim Jr. and Christina, and 5 grandsons.

People: Cable One's svp/chief sales/marketing officer *Jerry McKenna* is retiring at the end of the year, after 19 years at the company. “With Jerry at the marketing helm, Cable One’s annual revenue has grown from \$180mln to \$800mln. His wise and calm leadership will be missed in all areas,” said Cable One CEO *Tom Might*.

CableFAX Daily Stockwatch

Company	12/10 Close	1-Day Ch	Company	12/10 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
21ST CENTURY FOX:	33.16	0.06	GOOGLE:	1084.66	6.52
DIRECTV:	67.97	0.07	HARMONIC:	7.08	(0.13)
DISH:	54.44	(0.2)	INTEL:	24.82	(0.11)
DISNEY:	71.57	0.46	JDSU:	12.32	(0.32)
GE:	27.14	(0.05)	LEVEL 3:	30.75	0.27
MSOS					
CABLEVISION:	16.51	0.15	MICROSOFT:	38.11	(0.59)
CHARTER:	131.75	3.59	MOTOROLA MOBILITY:	14.48	UNCH
COMCAST:	49.39	0.25	NIELSEN:	43.43	(0.22)
COMCAST SPCL:	47.80	0.46	RENTRAK:	35.64	(1.39)
GCI:	9.20	(0.26)	SEACHANGE:	11.36	(0.14)
LIBERTY GLOBAL:	85.37	(0.13)	SONY:	17.62	(0.35)
LIBERTY INT:	27.45	0.07	SPRINT NEXTEL:	7.98	(0.01)
SHAW COMM:	24.01	0.16	TIVO:	12.38	(0.1)
TIME WARNER CABLE:	131.86	1.42	UNIVERSAL ELEC:	35.98	(1.13)
PROGRAMMING					
AMC NETWORKS:	63.31	0.61	VONAGE:	3.22	(0.08)
CBS:	59.24	0.29	YAHOO:	40.22	1.35
CROWN:	3.34	(0.01)	TELCOS		
DISCOVERY:	85.17	(0.24)	AT&T:	34.40	(0.29)
GRUPO TELEVISA:	29.77	0.52	VERIZON:	49.05	(0.52)
HSN:	59.89	0.38	MARKET INDICES		
INTERACTIVE CORP:	59.31	1.67	DOW:	15973.13	(52.4)
LIONSGATE:	28.97	0.23	NASDAQ:	4060.49	(8.26)
MADISON SQUARE GARDEN:	56.07	(0.88)	S&P 500:	1802.62	(5.75)
SCRIPPS INT:	75.25	0.51			
STARZ:	28.02	0.02			
TIME WARNER:	66.61	1.12			
VALUEVISION:	6.35	(0.08)			
VIACOM:	82.81	0.72			
WWE:	14.58	0.30			
TECHNOLOGY					
ADVANTAGE:	2.57	(0.03)			
ALCATEL LUCENT:	4.51	(0.06)			
AMDOCS:	40.34	(0.28)			
AMPHENOL:	86.48	(0.11)			
AOL:	44.21	0.30			
APPLE:	565.55	(0.88)			
ARRIS GROUP:	21.39	0.18			
AVID TECH:	8.34	0.06			
BLNDER TONGUE:	1.00	(0.04)			
BROADCOM:	28.51	0.63			
CISCO:	21.21	(0.01)			
CONCURRENT:	7.90	0.03			
CONVERGYS:	20.03	(0.19)			
CSG SYSTEMS:	29.00	(0.01)			
ECHOSTAR:	48.49	(0.01)			

CableFAX webinar

Tuesday, December 17 | 1:30-3:00pm ET

Establish Cable PR and Brand Leadership with Content Marketing

In this intensive webinar, you'll learn how a comprehensive content marketing strategy can supercharge sales and strengthen client relationships –all while streamlining the entire marketing process from planning to close.

Register Today: www.cableFAX.com/webinars/